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REPORT OF THE TRAINING WORKSHOP ON NATIONAL ACCOUNTS FOR THE ENGLISH-SPEAKING AFRICAN COUNTRIES

(Addis Ababa, 30 September - 11 October 1985)

TRAINING WORKSHOP ON NATIONAL ACCOUNTS

REPORT

1. INTRODUCTION

1.1 The course was organized under the UNDP/ECA Project RAF/78/061, "Assistance in National Accounts to LDC's and NIC's", with the objective of promoting understanding of the concepts, methods and data requirements for the compilation of national accounts estimates. It was intended for participants responsible for national accounting work in the countries of the African Region.

1.2 In view of lack of funds for simultaneous interpretation it was decided to conduct two parallel workshops, one for French-speaking participants and one for English-speaking participants. This report deals with the English-speaking group. Because of the nature of the workshop, which was very informal and in the nature of a training course, the report does not attempt to summarize the proceedings. It does however cover organizational aspects as well as evaluation by the participants.

2. ORGANIZATION AND ATTENDANCE

2.1 Invitations were sent to countries in May 1985 seeking nominations for participation in the course. It was stated that the ECA could not provide any funds for the participation of nominees and that such costs would have to be met by countries, e.g., through local UNDP programmes.

2.2 Some 14 nominations were received from English-speaking countries, but many had to withdraw for lack of funds or other reasons. In the end there were eight participants. Two of the participants, from Zambia and from Zanzibar, were so limited that only these two and one French-speaking participant could be sponsored in this way.

2.3 Despite the despatch of letters at the end of July asking for information on the funding of nominees, very few replies were received and one week before the start of the workshop it was still not clear how many participants would arrive in Addis. This made it difficult for proper arrangements to be made for hotel accommodation etc, which nonetheless seemed to work out reasonably well.

3. STAFFING

3.1 After the arrival of the Regional Advisor at ECA in July 1985 it was agreed that he would bear the main responsibility for the conduct of the English-speaking workshop. The Chief of the General Economic Statistics Section

of ECA Statistics Division led two of the sessions, (a) on particular problems of estimation and the adaptation of the SNA to developing countries, and (b) the review of the SNA. An attempt was made to obtain the services of an ECA economist to describe some of the uses of the SNA, but this proved not to be possible. (The francophone group was led by a staff member of the ECA Statistics Division together with the Senior Regional Adviser from the UN Statistical Office, New York).

3.2 Running a two-week workshop almost single-handed was a considerable task, especially for someone new to the job. Despite this, the objectives of the workshop seemed to have been achieved (see evaluation below). However, on future occasions it would be desirable to have more support in a workshop of such duration especially if the number of participants is larger. One participant suggested that there should have been guest speakers from other organizations such as FAO and ILO to explain how to make estimates covering their particular fields.

4. DOCUMENTATION AND EQUIPMENT

4.1 At the previous workshop in Rabat in 1980 extensive documentation (some 25 papers) was prepared and distributed to the participants. Rather than to update and revise these it was agreed that such extensive documentation of this type was not needed, especially if participants had copies of the SNA in front of them.

4.2 Accordingly, a cable was sent to New York (reference STS/463) on 19 July requesting that copies of the SNA should be sent to Addis. Unfortunately these did not arrive. This meant that there was virtually no documentation available at the workshop.

4.3 However, the Regional Adviser prepared a number of practical exercises which were intended to illustrate various aspects of national accounts estimation.

4.4 A number of calculators were obtained for use by the workshop. These were charged to the project. The adviser is grateful to the British Council for the loan of a roll of transparent film (for use with an overhead projector). The British Council also loaned two short 16 mm management training films which were shown to the participants.

5. CONTENT OF THE WORKSHOP

5.1 The draft programme for the workshop is attached as an Annex. This programme was followed quite closely, although it was found that the numerical

exercises were fairly time consuming. This sometimes meant that there was less time for discussion than desirable. However, the use of exercises was believed by the adviser to have a much greater practical impact on the participants than mere theoretical discussion.

5.2 The time allowed for the preparation of proposals for data collection was more than enough. The following papers were prepared and typed by the secretariat so that participants could take them back to their countries.

(a) Proposals for the collection of data on private final consumption expenditure (Libya).

(b) National accounts compilation (Mozambique).

(c) Collection of prices of construction materials (Tanzania, Mainland).

(d) A monthly survey of fishing (Zanzibar, Tanzania).

(e) Survey of employment and earnings in the Private Service Sector (Uganda).

(f) Proposal for data collection on the banking industry (Uganda).

(g) Improving the response rate of the national income inquiry (Zambia).

It is hoped that some of these proposals (suitably amended) will be implemented by the respective countries.

6. POINTS ARISING FROM THE DISCUSSIONS

6.1 One of the major problems facing the national accounts statisticians was often the lack of local understanding (on the part of Ministries of Planning and of Finance) of how to use the national accounts statistics. The Chief of the ECA Statistics Division indicated that this problem was well known and had been discussed in other contexts; he said that often economists in English-speaking Africa (unlike their French-speaking counterparts) did not have the necessary background or training in the analytical use of statistics. Participants suggested that the education of users was most necessary and that a series of practical workshops for such people should be organized. Too often, statisticians felt that their product was not appreciated, and were reduced merely to satisfying certain international requirements.

6.2 Thanks to the presentation by the Chief, GESS, participants were made very aware of the importance of the review of the SNA which is currently in progress and which is scheduled for completion in 1990. The review was

being undertaken with the needs of developing countries very much in mind and it was therefore vital that countries in the African region participate fully in shaping any proposals. He said that reponse to the letter sent out by ECA in May 1984 asking countries to comment on the SNA had been disappointing.

6.3 Although aware of the need, the participants present were reluctant to commit themselves to producing any papers on this subject. Some delegates felt they did not have sufficient experience to do this. Some suggested that it was difficult to develop new ideas in isolation and that the ECA secretariat should prepare proposals upon which countries could be invited to comment or develop further. It was stated that the secretariat would be preparing a paper in any event, but that without the first hand experiences of the countries in the region this would be of limited value. It was agreed that the secretariat should write again to countries urging them to participate.

7. EVALUATION

7.1 Participants were invited to complete a questionnaire.

7.2 On the whole the participants were clearly satisfied with the course. It was a little surprising that two participants thought that the workshop should be even more practical, given the number of practical exercises that were included.

7.3 The exercises were designed to introduce a wide range of topics. Four of them specifically covered problems of estimation of the value added by certain activities. However concentration on these problems meant that some types of activity were hardly discussed at all, and at least one participant would have preferred to take each sector in turn. (Time was allowed however for discussion of particular points which participants wanted to raise.)

7.4 Despite an almost total lack of documentation half the respondants thought it was sufficient. (No-one thought there was more than enough.) The publication of the new handbook entitled "Accounting for production" will provide an excellent textbook for this type of workshop. When asked if he had over referred to the 25 documents provided at Rabat in 1980, a participant who had attendei that workshop replied that he had not. This type of documentation does not therefore seem to add greatly to the value of such workshops unless it deals with specific points not covered elsewhere. It is necessary however to make better use of existing UN publications, most of which are excellent.

7.5 Every respondent considered that the objectives of the course had been fully achieved.

8. CONCLUSION AND RECOMMENDATIONS

8.1 Although no formal recommendations were made by the participants, the adviser suggests that the following conclusions and recommendations could be drawn as a result of the workshop.

(a) Courses for users of national accounts

8.2 As noted in paragraph 6.1, it seems necessary to promote a better understanding, on the part of officials in both planning Departments and Ministries of Finance, of the analytical uses to which the national accounts may be put. Compilers generally are not familiar with such techniques; economic analysis is not, after all, their primary task. There is a need therefore for a programme to develop countries' capability to make use of economic statistics for policy analysis and decision-making.

(b) Future workshops in national accounts

8.3 National Accounting is a specialism which calls for the highest qualities among statisticians. It has been described as an art rather than a science. This is because it is necessary to use the utmost ingenuity in compiling accounts often from little or no basic data. Designing a sample survey is a scientific activity; putting together a complete and plausible set of national accounts is quite different.

8.4 Because of its special character and its particular sets of conventions definitions and classifications, it is most desirable for national accountant to meet together on a regular basis to discuss common experience and problems, as part of the process of building up expertise, competence and authority among national staff. A workshop or meeting at least every two years is therefore strongly recommended.

(c) Review of the SNA

8.5 As has been noted above it is difficult for countries to consider what changes might be made to the SNA in isolation. It is recommended that any further request to countries for their views should be accompanied by:

(i) background information describing in some detail the scope of the review and progress to date, including any general proposals which the UNSO may have formulated.

(ii) some specific proposals which may be compiled as a result of knowledge of African conditions in ECA and of views obtained at the inter-regional workshop in Mexico.

8.6 It must be recognized that the ability of individual countries to make definite proposals is very limited: they usually have more urgent priorities at home. It is suggested therefore that the ECA should take the lead in formulating proposals on which countries may comment.

E/ECA/PSD.6/56
Annex

TRAINING WORKSHOP IN NATIONAL ACCOUNTS

PROGRAMME

(English-speaking group)

Monday 30 September 1965

Morning: 0900 - 1230

Registration of participants
Opening address
Presentation of the programme

Afternoon: 1430 - 1700

1. THE SYSTEM OF NATIONAL ACCOUNTS

1.1 Objectives, uses and scope
1.2 General principles

Tuesday 1 October

Morning: 0900 - 1230

1.2 General principles (continued)

Afternoon: 1430 - 1700

1.3 Country experience and plans

Wednesday 2 October

Morning: 0900 - 1230

2. PRODUCTION ACCOUNTS - Sources and methods

2.1 Agriculture
2.2 Industries
2.3 Government

Afternoon: 0430 - 1700

2.4 Services

Thursday 3 October

Morning: 0900 - 1230

3. EXPENDITURES ON GDP

3.1 Government final consumption
3.2 Capital formation
3.3 Private consumption

Afternoon: 1430 - 1700

4. COMMODITY FLOW ACCOUNTS

4.1 Introduction
4.2 Practical exercise

Friday 4 October

Morning: 0900 - 1230

4.3 General discussion

Afternoon: 1430 - 1700

5. PROPOSALS FOR DATA COLLECTION

5.1 Framework for proposal

Monday 7 October

Morning: 0900 - 1230

5.2 Introduction, background and justification

Afternoon: 1430 - 1700

5.3 Method

Tuesday 8 October

Morning: 0900 - 1230

5.4 Timetable and costs

Afternoon: 1430 - 1700

5.5 Completion of proposal

Wednesday 9 October

Morning: 0900 - 1230

6. NATIONAL ACCOUNTS AT CONSTANT PRICES

6.1 Some issues: real product and real income
6.2 Purchasing power parities

Afternoon: 1430 - 1700

7. INCOME/OUTLAY AND CAPITAL FINANCE ACCOUNTS

7.1 Sources and methods
7.2 Presentation of results

Thursday 10 October

Morning: 0900 - 1230

8. DISSEMINATING THE RESULTS

8.1 Methods and importance
8.2 Timetables

Afternoon : Free

Friday 11 October

Morning: 0900 - 1230

9. CONCLUSION

9.1 Implications for revision to SNA
9.2 Evaluation of the workshop.